

**MINUTES OF THE  
JOINT PUBLIC EDUCATION APPROPRIATIONS SUBCOMMITTEE MEETING  
WEDNESDAY, JANUARY 17, 2007, 2:00 P.M.  
Room W135, West Office Building, State Capitol Complex**

Members Present: Sen. Howard A. Stephenson, Co-Chair  
Rep. Bradley G. Last, Co-Chair  
Sen. Lyle W. Hillyard  
Sen. Patricia W. Jones  
Sen Kevin T. VanTassell  
Rep. Tim M. Cosgrove  
Rep. Brad L. Dee  
Rep. Lorie D. Fowlke  
Rep. Gage Froerer  
Rep. Ronda Rudd Menlove  
Rep. Karen W. Morgan  
Rep. Phil Riesen  
Rep. Aaron Tilton  
Rep. Carl Wimmer

Members Absent: Rep. Gregory H. Hughes

Staff Present: Ben Leishman, Legislative Fiscal Analyst  
J. Daniel Schoenfeld, Legislative Fiscal Analyst  
Cherie Schmidt, Secretary

Public Speakers Present: Michael Kjar, Policy and Budget Analyst, GOPB  
Patti Harrington, Superintendent, USOE  
Patrick Ogden, Associate Superintendent, USOE

A list of visitors and a copy of handouts are filed with the Subcommittee minutes.

Committee Co-Chair Last called the meeting to order at 2:20 p.m.

1. **Subcommittee Introductions** - Members of the Subcommittee and staff introduced themselves.
2. **Approval of December 6, 2006, Meeting Minutes**

**MOTION:** Rep. Morgan moved to approve the minutes of the December 6, 2006 meeting

The motion passed unanimously.

3. **Initial Subcommittee Issues** - Co-Chair Last requested that anyone who desires to be on the agenda for the Subcommittee meetings, should speak with Ben Leishman or Danny Schoenfeld of the Legislative Fiscal Analysts Office; or they can speak with either Co-Chair Stephenson or Co-Chair Last. The extension for the Fiscal Analysts Office is 538-1034.

Co-Chair Last also requested that any amendments should be in writing and brought to the Subcommittee's meetings. The deadline for requests for appropriations forms to the Executive Appropriations is January 25, 2007. The last meeting of this Subcommittee is February 5, 2007.

4. **General Budget Overview** - Ben Leishman, Legislative Fiscal Analyst, gave a brief overview of the book, *Budget Analysis FY 2008*. The Subcommittee also received a book entitled, *Charter School Studies*. Over the interim, three studies were conducted--one by Legislative Staff in the Utah State Office of Education, one by an independent contractor through the University of Utah, and a third by the Legislative Auditor General--basically answering questions of the Legislature posed last session. The Subcommittee will be discussing these reports and trying to make some major policy issues on charter schools this year. Mr. Leishman also stated that a calendar has been prepared and is also posted online which gives a brief overview of the Subcommittee's agenda for future meetings.

Mr. Leishman noted that Public Education is the largest budget in the state. One specific item that this Subcommittee does that is unique to all of the other committees is that at the end of the work that is done in this Subcommittee, this work culminates in an Appropriations Act. Through that bill, the Subcommittee can amend, repeal, and act upon statutes governing Public Education. All amendments must be correct before going into the bill. The bill is carried each year by one of the Co-chairs of the Subcommittee, and this year it is Co-Chair Last.

Mr. Leishman, continued with an explanation of the contents of the *Budget Analysis FY 2008* book including Budget Briefs, Issue Briefs, tables, and graphs.

5. **Governor Budget Overview** - Michael Kjar, Policy and Budget Analyst, GOPB, spoke to the Subcommittee and referred to a handout given to the Subcommittee entitled "Public Education, Agency Budget Overview." Mr. Kjar stated that the Governor's budget contains significant initiatives and funding for public education. From the Governor's perspective and public education, his number one priority is providing kindergarten children an opportunity to enhance their learning. There is also an

opportunity to enhance the learning of these beginning students particularly in the areas of high-risk students, disadvantaged, and other areas. Mr. Kjar stated there are some states that have provided extended educational opportunities for kindergarten students. Secondly, the Governor has provided in his budget an opportunity to enhance opportunities for school teachers not only in increasing the value of the WPU, which provides compensation increases for teachers, but also provides increases in the operating budget. The increase in the WPU is the largest proposed increase that has come forward since 1987. There are three pieces to the compensation package that relates to teachers. The first is the increase in the value of the WPU, the second piece has to do with ProExcel or Opportunities for Professionalism and Quality teaching and enhancing the teaching profession to attract and retain individuals in the teaching profession, and the third piece in the compensation area is a one-time bonus of \$25 million for teachers. Also, contained in the Governor's budget are some statewide ongoing adjustments in terms of cost of living, discretionary salary increases, and areas of health insurance benefits. There are two pieces to the compensation package for state employees as there are for teachers. The first is a 3.5 percent cost of living adjustment for all state employees and the second is a 2.5 percent discretionary adjustment that would make funds available to directors and executives in the different departments of state government. This provides them with an opportunity to reward differentially those people who are deserving and merit those increases in their work performance and service to the state government. This is similar to the ProExcel concept for teachers which provides for teachers to receive extra compensation for fulfilling their teaching responsibilities. The budget also contains ongoing adjustments for the Minimum School Program. Another significant and important initiative of the Governor this year is STAR 20 or Student Teaching Adult Ratio. This concept proposes opportunities to develop within the classroom teaching circumstances that would provide a student to adult interaction that would not exceed 20 students. This does not refer to class size reduction but is a student-teacher ratio. This would be an overwhelming budget issue but would allow more one-on-one interaction between teachers and students.

Mr. Kjar also spoke on 21<sup>st</sup> Century Quality Learning and Teaching Technology. The Governor is proposing \$10 million in ongoing money which is a significant initiative because the ongoing funds are virtually not available for technology for the schools. This will begin to put money back into technology. This initiative will deal with the technology needs that are badly needed in the classroom. This also ties in with ProExcel limiting the need for teacher interaction to 20 students.

Another area of the Governor's budget includes Reading Readiness particularly in the English Language Learner and high risk areas.

Another item of importance to the Governor is concurrent enrollment.

USTAR High Schools is a first-time new initiative as well. This would allow school districts to apply on a request proposal basis to the State Office for funding to initiate special opportunities in math and science.

Library Media Materials has been significantly enhanced in this budget with ongoing money of \$2 million and also in one-time funds of \$2 million.

There is also a \$6 million proposal for English Language Learner Programs.

The Subcommittee discussed the distribution of the \$25 million bonus to teachers. Mr. Kjar stated that the \$25 million allocation would have the benefit piece taken out so each teacher would receive a little less than \$1,000 bonus. He also stated that the anticipation is that school administrators would use these funds to provide no less than that amount to a classified school teacher. There may be more than 25,000 teachers in the system which means that school superintendents and principals would have to administer those funds on a discretionary basis based on performance.

Sen. Hillyard also asked if the \$25 million would cover administrators who teach one class as part of their assignment, media specialists, counselors, teachers who teach only half-day, or teachers who work three-fourths time. Mr. Kjar said that this allocation would be limited to full-time classroom teachers. He also stated that these considerations could be negotiated through the legislative process. Sen. Hillyard stated that this allocation needs to be done correctly as to exactly what the classification is and the exact numbers. The message to teachers is that they know who will receive \$1,000.

Co-Chair Stephenson raised the question of whether the education community would rather receive significantly higher salaries or class size reduction. He also stated that there seems to be a crisis in Utah of attracting and retaining qualified teachers. Mr. Kjar stated that research has shown that the most important factor in a classroom is a quality teacher. Everything must be done to attract those individuals into the system, and then provide a viable teaching experience for them especially in their first year of teaching.

Co-Chair Stephenson also discussed the possibility of districts dividing. He stated that the proposals submitted have essentially divided the nongrowing side of a district from the growing side of the district. He feels that the Legislature needs to do something that will ensure that as the growing side of the district is separated, that they have sufficient funds to take from their growing buildings. There should be some sort of state support for school buildings for the high growing areas with a low tax base or some legislative change to ensure that the tax base of the existing former districts stays intact for capital outlay and debt services purposes. This would mean that these districts set their own

levies differentially. Mr. Kjar stated that there is an allocation of \$10 million one-time monies to go into that fund.

Co-Chair Stephenson also asked about the allocation for technology funding. The Governor's budget contains three \$10 million elements. One is for online testing. This one-time allocation will enable end-of-year core testing to be given online so that students can use this score toward their final grade. The testing scores would also be available to teachers immediately rather than waiting several months after the students have left school. Sen Stephenson asked if this funding is sufficient. Mr. Kjar stated that this is a good effort in the right direction. Co-Chair Stephenson asked that he would like to have some understanding if this allocation will achieve the goal of being able to give the UPASS exams the final week of school rather than a month or two ahead of ending school.

Subcommittee discussion continued with the question of class size reduction and quality teaching. These are two very critical issues. Co-Chair Stephenson suggested that the staff work with the State Office and the GOPB to obtain data on class size reduction in areas where they have actually reduced class size. He also stated that he would like to see some information as to the cost of reducing class size by one student, and what it would cost to reduce class size to the national average. He would also like to see data which would show the cost of bringing teacher salaries to the national average. Data would also be valuable in giving perspective on the \$30 million allocation for the next three years for technology. What would this do in some measure of computers and technology per student in order to bring school to the 21<sup>st</sup> Century technology? This would help the Subcommittee determine which elements would bring the most value to students and teachers. Sen. Jones also asked that data be obtained on team teaching.

Rep. Dee expressed concern of class size in high school in math, science, and literacy classes. He stated that a class size of 35 students does not allow teachers to teach students and have them graduate with the ability to enter a university, obtain a degree, and obtain employment in these professions. Rep. Dee favors reducing class size by one, phase to two, etc. until class size reaches 20. He is looking for short-term results and is looking for students that are trained in the above areas.

Mr. Kjar stated that class size combined with other teaching practices will make a difference in quality teaching. Subcommittee discussion continued with which grades would most benefit from a lower class size and where this money would be best spent. Co-Chair Stephenson also raised the question of accountability in using these funds. Mr. Kjar stated that the Governor's proposal does take into consideration accountability. Schools need to show that they are using funds for class size reduction in grades K-3 and are meeting this goal.

Patti Harrington, USOE Superintendent, stated that the State Board is vitally involved in the Governor's issues in his budget. She said that the State Board of Education as well as others that represent education interests favor a K-12 class size reduction. Concerning the ELL, the Board has asked for \$6.6 million but would like to see that allocation over three years. This would allow for three hours of instruction daily for non-English speaking students, two hours for those students beginning to be fluent, and one hour for those students who are fairly fluent but require further instruction on comprehension.

Co-Chair Stephenson asked for data from the Board concerning the relative ability of districts given their tax base per student and their tax effort to determine if differential amounts should be given on these new significant amounts of funding for technology and for class size reduction. Patrick Ogden, Associate Superintendent for the State Office of Education, stated that the Minimum School Program has multiple formulas, and those formulas are set up to ensure that funds are equitably distributed. Rep. Riesen remarked that there are large class sizes here in Utah and that something needs to be done to decrease the number of students or decrease the pupil-teacher ration. He said that tens of millions of dollars are being spent to reduce class sizes by one or two students and is the Legislature spending that money efficiently. Superintendent Harrington stated that class size should be addressed as a working condition not just a matter of student achievement. Resources need to be tightly aligned to goals. She said that if there are better places with a better yield for student achievement or a better way to enhance the teaching profession, then those areas should be considered.

Superintendent Harrington also stated that she is an advocate of new software to be used for individualized learning. She also remarked that when students are asked what makes the biggest difference in their learning, the student will remark "I need to have a teacher that really understands me." She stated that we should not lose sight of that concept.

**MOTION:** Rep. Morgan moved to adjourn.

Co-Chair Last adjourned the meeting at 4:20 p.m.

Minutes were reported by Cherie Schmidt, Secretary